

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Agricultural Marketing Department – sanction of Rs. 6.06 crores to the AP MARKFED from AMC funds towards payment of Interest on loans for procurement of Fertilizers during 2009-2010 – orders –Issued.

AGRICULTURE AND COOPERTATION(AM-II) DEPARTMENT

G.O.RT.No.1131

Dated:17-08-2010

Read the following:-

1. G.O.Rt.No.552 Agri & Coop (FP.II) Dept., Dt.14.05.2009.
2. From the MD APMARKFED, Hyderabad Lr..No.Loan/Ferti/2009-10, dated:06.05.2010.

ORDER

In the reference 1st read above, AP MARKFED was nominated as Nodal agency for the State of A.P. for procurement and prepositioning of Fertilizers for the Kharif and Rabi seasons 2009-2010 and permission was also accorded to raise loans upto Rs.500 crores from banks, Financial Institutions, and that Government will bear the interest accrued on the said loans upto the end of Rabi 2009-2010 on quarterly basis or till liquidation of the stocks thus procured and till clearance of all loans raised for the above purpose, and also will reimburse the cost of secondary transportation and other related incidental expenditure like handling, storage etc., of the fertilizers procured, for the season 2009-2010.

In the reference 2nd read above, the Managing Director, A.P.MARKFED has stated that the A.P.Markfed which has been appointed as Nodal Agency for 2010-2011 also has raised loans from Indian Bank, Bank of Rajasthan, Karnataka Bank, Axis Bank and Corporation Bank totaling Rs.200.00 Crores and paid to the fertilizer companies to book the stocks in advance, and that the total interest payments made to the concerned Banks as on 31.03.2010 is Rs.12.38 Crores. Against the above amount the interest claims from 1.4.2009 to 30.9.2009 for Rs.6.32 Crores have already been sent to the Govt. and the same are under realization, and therefore the interest to be paid for the 3rd and 4th quarter ending 31.3.2010 from 1.10.2009 to 31.3.2010 is Rs.6.06 crores which is now being claimed and requested to reimburse the interest for the 3rd and 4th quarter amount at an early date.

Government after careful examination of the proposal, hereby permit the Commissioner & Director of Agricultural Marketing, A.P., Hyderabad to release an amount of Rs. 6.06 Crores from the AMC Funds to A.P.MARKFED, Hyderabad towards payment of interest to the Banks for 3rd and 4th quarter from 01-10.2009 to 31.03.2010 as in the case of 1st two quarters released in G.O.Rt.No.273, A&C(AM-II) Dept., Dt:3.3.2010 debit the expenditure to AMC funds.

The Commissioner & Director of Agricultural Marketing, A.P., Hyderabad shall take necessary action in the matter.

This orders issues with the concurrence of Finance Department vide their U.O.No.13630/246/A2/EAC/10 dated 23.06.2010.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

K.RATNA KISHORE
PRINCIPAL SECRETARY TO GOVERNMENT

-To

The Commissioner & Director of Agricultural Marketing, A.P., Hyderabad
The MD MARKFED Hyd.

Copy to A&C (FP.II(2) Dept.,
Sf/Sc.,

//Forwarded :: By Order//

SECTION OFFICER